

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6281**

**BILL NUMBER: SB 55**

**NOTE PREPARED:** Nov 30, 2011

**BILL AMENDED:**

**SUBJECT:** Local Government Reorganization.

**FIRST AUTHOR:** Sen. Eckerty

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill provides that in the case of a proposed governmental reorganization that is on the ballot after June 30, 2012, and that involves a county and a municipality, the proposed reorganization is approved if:

- (1) a majority of the voters in the county voting on the public question (on a countywide basis) vote in favor of the proposed reorganization; and
- (2) in the case of a vote being conducted with a "rejection threshold", a majority of the voters of the county (excluding the voters of the reorganizing municipalities) voting on the public question vote in favor of the proposed reorganization and a majority of the voters of each reorganizing municipality voting on the public question also vote in favor of the proposed reorganization.

(Under current law governing reorganizations involving a county and a municipality: (1) the percentage of the countywide vote that must approve the proposed reorganization may be set at a higher percentage than a majority vote; and (2) if the vote is being conducted with a rejection threshold, the thresholds for approval by county voters (excluding voters in the reorganizing municipalities) and for approval by voters of the reorganizing municipalities may also be set at a higher percentage than a majority vote.)

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** To the extent that a municipality and a county could work more efficiently, avoid duplication of services, or reduce costs by reorganizing, the ability to form the combination is more easily achieved. Any fiscal impact would likely be minimal.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Municipalities and counties.

**Information Sources:**

**Fiscal Analyst:** Karen Firestone, 317-234-2106.